

## **Success Stories from Kazakhstan Local Legal Aid Offices**

### **USAID Land Tenure Reform Project**

#### **Aktobe**

The legal aid office gave consultations to 500 villagers who had worked for a joint stock company formed to take the place of a collective farm. The joint stock companies in this area that took over from the state or collective farms leased from government huge amounts of land. In 1996, many farms distributed property as conditional land shares to workers. But in this collective, none of the 500 individuals received land shares. They became aware that they needed to act when government announced implementation of the interim provisions for the Land Code. By this time, of the 500 individuals, only 120 were still working for the joint stock company; the others had retired. Representatives of the 500 people approached the legal aid office for advice, and ask whether they could still obtain land. The legal aid office negotiated with government officials, the villagers, and the joint stock company, and reached a settlement under which the retired workers would receive 52 hectares each from government's Special Land Stock. The 120 workers who were still with the company received land from the company, then exchanged it with the company in return for stock in the enterprise.

Villagers in Khromtau Raion complained to our legal aid office that the director of Shugla privatized business entity claimed that all lands belonged to the business entity and that no land shares would be issues to workers. The staff of the legal aid office made a trip to this village and then examined the documents in the office of the raion land committee. These indeed stated that the lands had been leased by the manager from the raion land committee. This was illegal. The lease agreement was cancelled, and at present the farmers have established their own partnership to lease the land from government.

Registration of land rights are handled by the local offices of the Ministry of Justice. Over the last two months, the local legal aid office in Aktobe worked with this office to develop a simpler registration process, and this has permitted the registration of eight new partnerships.

#### **Astana**

In 1998, some people exchanged their conditional land shares to become shareholders in business entity X. X had done all the paperwork but upon closer examination in 2004, it was realized that the agreements had not been notarized. This caused problems for X and for the shareholders. If the shareholders did not re-register their land rights, then they would no longer be shareholders in X and would also have lost their right to the land that they had given to the enterprise. X, on the other hand, was not using all the land it had bought and did not want to go to the trouble of problems that went along with correcting the records. Our office organized a meeting of the manager of X, the former conditional land share holders, the raion Akim, and the chair of the land committee. The outcome of the meeting was that X agreed to accept the transfer of land shares as making the former land share holders stockholders, even though the earlier documentation was legally defective, and the land involved, now under notarized contracts, was registered as the property of X.

#### **Kokshetau**

In Koluton village, land share holders wanted to transfer their shares to a business entity but the manager of the business entity refused to undertake the lengthy process. Our legal aid office in Kokshetau, on hearing of this situation, visited the village and spoke to the manager. He convinced him to take the farmers on as new members.

On October 1, 2004, the staff of the legal aid office was in Koluton village, Astrakhan raion, and had a meeting with the manager of an enterprise called Peasants' Holding «Koluton». This entity has more than 19,000 hectares of land. The land of the former collective had been taken over by the enterprise, and the employees of the former collective were supposed to receive stock in the enterprise. But the manager did not want to recognize the stockholders of about 50 of the most vulnerable village residents, including teachers and pensioners. The staff of the legal aid office was able to convince him to recognize these vulnerable residents as stockholders.

Two female villagers visited the legal aid office and requested assistance on an agreement to become members of a business entity called Kyzylzhar 2030. They had applied for membership and were accepted but on unsatisfactory and unclear terms. The Kokshetau office made a field trip to the village and met with the manager of Kyzylzhar 2030. In this meeting they shared with the manager a standard agreement for individuals and enterprises prepared by the legal aid office. They explained the benefits of the wording and the need to protect the rights of members as the law requires. The manager agreed to use the standard agreement, not only for the two women but also for all the members.

### **Kostanai**

In the Kostanai village of Sheminovka, 96 people signed agreements giving up their claims for stock based on their land shares being with a business entity. They did so due to their lack of knowledge of their rights and illiteracy. The legal aid office in Kostanai became aware of this situation after receiving a complaint from some of the villagers. Our lawyers gathered leaders from the business entity that received the land claims and Sheminovka citizens in a meeting and explained their rights and obligations. It was agreed that if the people wrote new applications seeking stock in the business entity, then they would be accepted. All 96 completed the application process and became stockholders.

The Kostanai office organized mini-trainings at the Boskol village in response to a request by its residents. They had requested the training because the director of a share company attempted to force conditional land share holders to give up their shares. This would enable the company to claim the land and not have additional stockholders among which profits would need to be divided, ensuring existing members higher returns. After the mini-training about the interim provisions of the Land Code, which the company manager attended, he agreed to accept them as stockholders.

Helping groups is a great benefit but individuals also come to the legal aid offices with particular problems. One farmer had farmed for years in the Kozha village of Nauruzun raion, but then his land plot was withdrawn without compensation. He approached our office in Kostanai, and our lawyer advised him of his rights, how to appeal to the court, and what the process would involve. His situation was desperate. If he did not regain his land he would not be able to farm and earn a living. He completed the necessary forms and went through the entire legal process with success. Even though he did not get his original plot of land back, he was granted another plot and compensation for his losses.

### **Petropavlovsk**

Some landholders who had withdrawn land from collectives during the reform, and now held it on long-term lease from government, subsequently subleased their land to others. When the interim provisions forced them to cancel their sub-leases, they wanted to organize themselves as a simple partnership so they could cultivate their land together. They did not want to organize themselves into a stock company or some other legal entity, because that would dramatically increase the tax rate they paid. They did however need to register themselves, and when they approached the local tax committee, in both Petropavlovsk and Aktobe, they were told that they would have to register as legal entities. This would in some cases have meant paying ten times the amount for registration. Our legal aid offices first approached the local land committees, and got them to agree that the law and regulations did permit registration as simple partnerships. The land committees then talked to the prosecutor's offices in these oblasts, and the issue was resolved in favor of the landholders.